

## City promotion

**London and Paris have consistently been the two best known cities in the survey.** Eight of the top 10 most well known cities back in 1990 are still most recognised today, but Geneva and Zurich have fallen outside the top 10. All the Central European cities have seen a rise in how well known they are since the late 1990s.

### Top 10 most familiar cities – the changing hierarchy

1990	%	2009	%
London	94	London	82
Paris	94	Paris	77
Brussels	85	Frankfurt	65
Frankfurt	78	Barcelona	62
Milan	74	Brussels	62
Geneva	69	Madrid	56
Madrid	68	Munich	54
Amsterdam	67	Amsterdam	52
Zurich	67	Berlin	47
Barcelona	64	Milan	46

## European expansion

Back in 1990 Central and Eastern European cities were the most likely to experience future expansion, a trend that is still evident today. Berlin was the most likely to expect an influx of companies, but Budapest, Prague, Moscow and Warsaw were also target cities for expansion. **Berlin remained the most popular target for expansion in Western Europe until 1998, but the CEE cities remain the key targets of business today.**

## Impact of hosting a sporting event

In 2004 we asked whether holding a major international event had an influence on location decisions. While an overwhelming proportion said that it would not have any impact, there appears to be a link from hosting a successful sporting event to how a city performs. Manchester saw its rank improve from 19th in 2002 to 13th in 2003, the year following the city's successful hosting of the Commonwealth Games. Barcelona also saw an improvement in its position after the 1992 Olympic Games moving upwards from 13th to 10th. The city was also placed first for how well cities are promoting themselves that year, while Athens saw an upturn in nominations for this factor in 2003/4. However, there was no major knock on effect for Athens for hosting the Olympic Games back in 2004, with a one place improvement but still languishing near the bottom of the ranking.

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Amsterdam  
Athens  
Barcelona  
Berlin  
Birmingham  
Brussels  
Bucharest  
Budapest  
Copenhagen  
Dublin  
Düsseldorf  
Frankfurt  
Geneva  
Glasgow  
Hamburg  
Helsinki  
Istanbul  
Leeds  
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London  
Lyon  
Madrid  
Manchester  
Milan  
Moscow  
Munich  
Oslo  
Paris  
Prague  
Rome  
Stockholm  
Vienna  
Warsaw  
Zurich



A TALE OF  
THREE CITIES?  
ECM 1990-2009

## Leading cities for business

Since the start of the survey the top three best cities in which to do business have remained constant, with London and Paris leading the survey by some way, followed by Frankfurt. Between 1990-2005, along with Brussels and Amsterdam, they formed a leading pack of five cities. Brussels and Amsterdam maintained fourth and fifth positions respectively up to 1998 but subsequently jockeying for these positions has occurred.

### Top 10 business cities- the changing hierarchy

Rank	1990	2009
1	London	London
2	Paris	Paris
3	Frankfurt	Frankfurt
4	Brussels	Barcelona
5	Amsterdam	Brussels
6	Dusseldorf	Madrid
7	Zurich	Munich
8	Geneva	Amsterdam
9	Milan	Berlin
10	Glasgow	Milan

**Barcelona broke into the top five in 2005, having threatened the top cities for a number of years.** The Spanish cities have seen the greatest march up the rankings since 1990, with both Barcelona and Madrid seeing a steady improvement year on year from their lowest positions of 13th and 17th respectively.

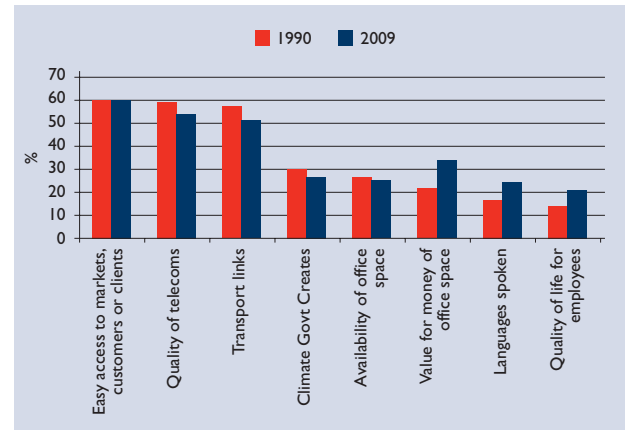
Back in 1991 the survey identified Berlin as a potentially strong future rival and this has been reflected in Berlin's rise up the ranking from the mid 1990s, rising from 15th to 9th today. Munich also saw an improvement up the hierarchy of best cities in which to do business, rising five places to 7th. Both Zurich and Geneva were in the original top 10 locations, but gradually saw their influence disappear throughout the 1990s and early 2000s. Geneva, having reached a low point of 20th in 2006, has subsequently seen a reversal of fortunes and has seen an improvement in position, while Zurich now hovers just outside the top 10. Glasgow also was a top 10 business destination in 1990, but it has gradually fallen down the ranking to its current position of 29th.



CEE overall has emerged as an alternative business destination, as EU accession had a major impact on perception. **All the key CEE cities saw an increase in their position in the survey with the main beneficiaries being Prague and Warsaw.**

### Key factors in deciding where to locate

Location parameters have changed very little over the last 20 years. In 1990 easy access to markets, customers and clients was deemed the most important location factor, as it is today. This was closely followed by quality of telecommunications and transport links nationally and internationally. Along with availability of qualified staff, these four factors have averaged over 50% over the twenty years of the survey. Cost issues have become increasingly important over the course of the last 20 years with both the cost of staff and value for money of property seeing a steady increase in nominations.



**The reason London, Paris and Frankfurt have maintained their position at the top of the overall ranking is that they have consistently held their places at the top of the rankings for the key essential factors over the last 20 years.** They have dominated the top three for easy access to markets, customers and clients, quality of telecommunications, international transport links and availability of qualified staff, with few other cities really threatening the hierarchy.

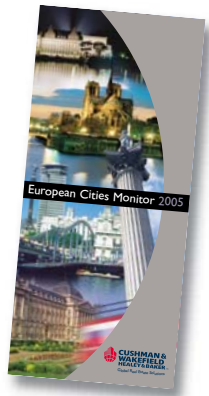
Nevertheless, there has been some movement below the top three for these main rankings. Milan and Amsterdam have seen improvements in the perception for ease of access to markets, customers and clients and one of these two cities typically now make the top five, while Stockholm has steadily moved up the ranking for quality of telecommunications and has established

itself at number four since 2000. Outside the top three for quality of staff, Munich has risen up the ranking and scores well along with Brussels and Amsterdam.

Brussels was number one for languages for five out of the first six years, but subsequently slipped to second as London topped the ranking in 1996. London has held this position ever since, with Amsterdam and Brussels consistently competing for second and third place. Paris and the Swiss cities of Zurich and Geneva are also rated highly.

Paris was seen as the best city in terms of quality of life back in 1990, although its stay at the top was short lived as for the first eight years a number of cities took first place including Munich, Paris, Barcelona and Geneva. Barcelona has however maintained number one position since 1998. This is one ranking where perceptions change more markedly but Madrid, Munich, Geneva, Zurich, Paris and more latterly Stockholm usually score well for this factor.

London and Paris have taken first and second place over the last 20 years for ease of travelling around the city. Berlin, Barcelona, Stockholm and Munich all moved up the ranking at the expense of Brussels and Frankfurt.



**Dublin has dominated the number one position for the climate governments created since the city was introduced into the survey back in 1995.** This is one ranking where the Central European cities have done well, particularly since EU accession. Since 2001 there have been at least two CEE cities in the top five, with Warsaw, Prague, Budapest and more recently Bucharest being scored highly on this factor.

The two property market factors have shown far more volatility than any of the other location factors. London and Berlin have dominated first place in terms of availability of office space, but Lisbon, Barcelona and Brussels have also taken the top position. Seven cities have taken first place for value for money of offices over the last 20 years, with Glasgow holding onto first place more times than any other city, followed by Lisbon.

There has been greater variation in terms of cities ranked first in terms of cost of staff, but the upper end of the ranking has primarily been dominated by the CEE cities of Warsaw, Budapest, Prague and Bucharest, accompanied by Lisbon.